





#### REPORT OF THE SPECIAL COMMITTEE

APPOINTED BY THE

## Chamber of Commerce of the State of New-York,

TO CONSIDER

THE PROPOSED REMOVAL OF THE INDIAN WARE-HOUSE FROM THE CITY OF NEW-YORK

TO A WESTERN CITY.

ADOPTED BY THE CHAMBER DECEMBER 2D, 1886.

NEW-YORK;
PRESS OF THE CHAMBER OF COMMERCE.

1886.



CHARLET OF CHIMESCS, NE /-YORK.

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#### REPORT.

To the Chamber of Commerce:

The Special Committee appointed to consider the proposed removal of the Indian Warchouse from New-York to some Western City, as suggested in a communication to the Chamber from the Department of the Interior, dated September 22d, 1886, by the Hou, J. C. D. Atkins, Commissioner of Indian Affairs, respectfully report:

That they find the annual appropriation by Congress for fulfilling treaty stipulations and contingent expenses of the Indian Department amounts to about six million dollars, and that nearly three millions of this amount is required to pay for annuity goods, subsistence, agricultural and miscellaneous supplies.

In making these purchases, the law requires that at least three weeks public notice by advertisement shall be given for all purchases made exceeding in the aggregate five hundred dollars in value at

one time, except in ease of exigency.

For many years past the Commissioner of Indian Affairs has advertised for scaled proposals to be opened at the Indian Warehouse in New-York, where samples of goods and supplies required were to be sent.

Bidders have been invited to state the prices for such goods as they proposed to furnish, to be delivered either in New-York, Philadelphia, Baltimore, Chicago, St. Louis, Kansas City, Omaha, Sioux City or St. Paul, and a very large majority of bidders have stated prices for goods to be delivered in New-York, in preference to any of the above named places.

This method of opening bids in New-York, where the large dealers and the agencies of the large manufactories throughout the country are located, and where a great variety of samples of dry

goods, clothing and miscellaneous articles can be furnished at very small expense, has caused great competition among bidders, and the result has been that the Government purchases for the Indian Department have been made at lower prices than any wholesale dealer in the United States could obtain.

Articles offered by Western bidders which can be more advantageously furnished from that section, such as wagons, agricultural implements, machinery, &c., do not require samples, as the awards are usually made from cuts and descriptions, and one small sample, in many kinds of hardware, will serve for all different sizes. Of subsistence supplies, flour is the principal one of which samples are required, and they are sent in small bags of twenty-five pounds each. The other articles furnished by Western bidders being awarded on specification. If the practice is continued of advertising for delivery in the different cities, a large majority of the lowest bids will, without doubt, be for delivery in New-York, as heretofore, and a Warchouse suitable for the reception of large quantities of samples and the careful inspection of goods when delivered will be required there the same as now.

It has been supposed by some parties that there would be a large saving in transportation if deliveries were made in some Western City, but this is a mistake, as the competition among bidders on transportation from New-York is very great. The bids last spring to several points were the same from New-York as from St. Louis, and to some points less, as the following will show:

#### From New-York. From St. Louis.

1.45

7.68 7.68 "Colorado River,	
5.99 5.99 " Spokane Falls, W	Vashington Territory
1.70 1.70 "Rushford, (Pine	e Ridge,) Nebraska
1.40 1.30 " Valentine, (Rose	e Bud,) Nebraska.
1.18 1.19 " Crow Creek, Da	ikota,
1.57 1.29 "Standing Rock,	Dakota.
1.34 1.19 "Bismarck, Dako	

" Fort Yuma, Arizona.

" San Francisco, California.

Your Committee has consulted with the leading and reliable bidders, who have been awarded large contracts for several years past, and made their deliveries to the entire satisfaction of the Indian Department, who say, without a single exception, that if the Indian Warehouse should be removed from New-York, samples required to be sent, bids opened and goods delivered in some Western City, the additional expense would be more than their present profits, as no merehant can get transportation at the Government rates, and that bidders would be obliged to advance their prices or refrain from bidding.

Your Committee has been informed that bids were opened in St. Louis in 1876, but lack of competition resulted in such high prices as to necessitate the rejection of many bids and re-advertising in New York

Hon. George II. Stuart, of Philadelphia, formerly a member of the Board of Indian Commissioners, and for several years Chairman of its Purchasing Committee, says: "Having been in business myself for over forty years, I have no hesitation in saying that I consider New-York as the place, under all the circumstances, for receiving proposals for the great variety of goods annually required by the Indian Department."

Hon. E. M. Kingsley, of Now-York, who was for several years a member of the Board of Indian Commissioners, and Chairman of its Purehasing Committee, said, in his report, "that the judgment of the Commissioners, in view of the St. Louis experiment in 1876, was, that receiving proposals at a distant city had brought no advantages, but had been attended with some positive disadvantages."

It may not be improper to state that the Chairman of the Committee making this report was for nearly ten years a member of the Board of Indian Commissioners, was Chairman of its Purchasing Committee the most of this time, and devoted from one to two months in each of those years to its duties. He has been for more than forty years in active mercantile pursuits in New-York, and has had large experience as a buyer and shipper of merchandise to all parts of the United States. After his experience in Indian affairs, particularly in connection with the receiving of bids, awarding contracts, and the inspection of goods when received, he is very positive in his opinion that a large majority of the goods and miscellaneous supplies required for the Indian service will be furnished at lower prices in New-York than at any other point in the country, provided the wise methods adopted by the Board of Indian Commissioners and heartily concurred in by the Indian Bureau, are continued, the business so conducted as to encourage eompetition and command the confidence of our most honorable dealers, and that merehants of well known ability and unflinehing

integrity, not themselves bidders, be selected to assist in making the awards, and the inspection of goods and supplies when delivered

and shipped.

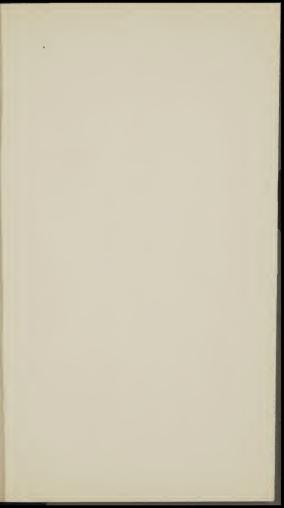
Your Committee has endeavored to obtain information on this subject from the most reliable sources, and their conclusions are, that the interests of the Government and the Indians will be best served by retaining the Warehouse in New-York, and that a great mistake would be made if it should be removed.

Respectfully submitted.

(Signed,) WM. H. LYON,
AMBROSE SNOW,
HIRAM K. MILLER,

Special
Committee.

New-York, December 1, 1886.













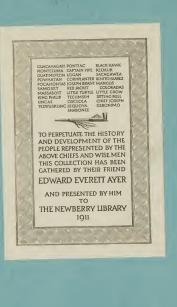
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#### REPORT.

To the Chamber of Commerce:

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That they find the annual appropriation by Congress for fulfilling treaty stipulations and contingent expenses of the Indian Department amounts to about six million dollars, and that nearly three millions of this amount is required to pay for annuity goods, subsistence, agricultural and miscellaneous supplies.

In making these purchases, the law requires that at least three weeks public notice by advertisement shall be given for all purchases made exceeding in the aggregate five hundred dollars in value at one time, except in ease of exigency.

For many years past the Commissioner of Indian Affairs has advertised for sealed proposals to be opened at the Indian Warehouse in New-York, where samples of goods and supplies required were to be sent.

Bidders have been invited to state the prices for such goods as they proposed to furnish, to be delivered either in New-York, Philadelphia, Baltimore, Chicago, St. Louis, Kansas City, Omaha, Sioux City or St. Paul, and a very large majority of bidders have stated prices for goods to be delivered in New-York, in preference to any of the above named places.

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It has been supposed by some parties that there would be a large saving in transportation if deliveries were made in some Western City, but this is a mistake, as the competition among bidders on transportation from New-York is very great. The bids last spring to several points were the same from New-York as from St. Louis, and to some points less, as the following will show:

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1.34	 1.19	" Bismarek, Dakota.
5.93	 6.73	" Fort Yuma, Arizona.
1.45	 4.39	" San Francisco, California.

Your Committee has consulted with the leading and reliable bidders, who have been awarded large contracts for several year past, and made their deliveries to the entire satisfaction of the Indian Department, who say, without a single exception, that if the Indian Warehouse should be removed from New-York, samples required to be sent, bids opened and goods delivered in some Western City, the additional expense would be more than their present profits, as no merehant can get transportation at the Government rates, and that bidders would be obliged to advance their prices or refrain from bidding.

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